Emergency Financial Manager of the City of Ecorse (Directive and Order No. 061)

ORDER OF THE EMERGENCY MANAGER OF THE CITY OF ECORSE, COUNTY OF WAYNE, STATE OF MICHIGAN, TO PROHIBIT CANDIDATES WHO ARE IN DEFAULT FROM BEING SEATED, SWORN IN AND SERVE AND ORDER TO REDUCE NEWLY ELECTED CITY COUNCIL AND MAYOR COMPENSATION.

WHEREAS, under the Local Government and School District Fiscal Accountability Act, Act 4, Public Acts of Michigan, 2011, as amended ("Act 4") and a Contract (the "Contract") between the State of Michigan and Joyce A. Parker, dated October 30, 2009, Joyce A. Parker has been appointed as the Emergency Manager (the "EM") of the City of Ecorse, County of Wayne, Michigan (the "City") and charged with the power and authority to take all actions necessary to develop and implement financial and operational plans to regulate expenditures, investments and the provision of services for the City of Ecorse in conformity with and using the powers set forth in Act 4; and

WHEREAS, pursuant to Public Act 4 of 2011, Section19a provides that immediately upon a local government being placed in receivership and during the pendency of the receivership, the salary, wages, including the accrual of postemployment benefits of a chief administrative officer and members of the governing body of the local government are eliminated. Section 19a of Act 4 also allows an emergency manager to restore in whole or in part any of the salary, wages or other compensation of members of the governing body on terms and conditions the emergency manager deems appropriate.

WHEREAS, pursuant to Public Act 4 of 2011, Section 19, during the pendency of the receivership, all authority and power of a municipality's chief administrative officer and governing body is suspended and vested in the emergency manager. Further, that the emergency manager's power is superior to and supersedes the power of any officer, employee, department, commission or other local government entity whether appointed or elected.

WHEREAS, pursuant to Public Act 4, Section 19 an emergency manager has the full power and authority to take all action necessary to enforce federal, state and local law, including the local government's charter, ordinances and resolutions.

WHEREAS, Section 5(f) of the Home Rule City Act, Public Act 279 of 1909 as amended expressly prohibits the City of Ecorse from bestowing an "official position", such as the elective office of Mayor, Treasurer and Councilperson to a person "who is in default to the city." Further, consistent with Act 279, Chapter VII, section 14 of the Ecorse City Charter provides that "no person shall be elected or appointed to any office who at the time of his (her) election or appointment is a defaulter to the City or to any Board of officers or department thereof."

WHEREAS, the Michigan General Property Tax Act, Public Act 206 of 1893 as amended requires the Treasurer to be bonded for the performance of tax collection functions for the City and the Ecorse City Charter also requires the Treasurer to be bonded. The City Charter expressly prohibits any officer of the City, whether elected or appointed, from entering upon the duties of his or her office without first securing a surety bond, if such bond is required of the office. Further, Chapter VII, section 3(a) of the Ecorse City Charter states that "every officer, elective or appointive, before entering the duties of his [or her] office and within the time prescribed for filing his [or her] Oath of Office, if a bond is required, shall file with the City Clerk such bond or security as may be required by law, ordinance, or resolution of the Council and with such sureties as shall be approved by the Council, conditioned for the due performance of the duties of his [or her] office..." Additionally, where the required bond or security has not been filed, that "such office shall be deemed to be vacant..."

WHEREAS, in July of 2011 notices were sent to five (5) candidates running for an elected office with the City of Ecorse, notifying same that they were in default, as set forth in the applicable State law and the Charter for the City of Ecorse and the legal ramifications for their failure to cure the default before the election. Further, candidates were notified that if said default was not cured before the the general election taking place Tuesday, November 8, 2011, even if successful in receiving a sufficient number of votes, the candidate would not be seated, sworn in to Office or otherwise allowed to serve in that official capacity. Additionally, a second and, in one case, a third notice was sent to candidates to so advise.

WHEREAS, Candidate, Doris Young has run unopposed and if she receives sufficient votes for the elected official position of Treasurer in the November 8, 2011 general election, Candidate Young has failed to cure her default and, therefore, shall not be seated, sworn in to the Office or otherwise serve as the Treasurer for the City of Ecorse for the term of the office, thereby leaving the elected position of Treasurer vacant to be filled by an appointment to be made by the Emergency Manager.

WHEREAS, if Candidate, Casondria Walker receives sufficient votes for the elected official position of City Council member in the November 8, 2011 general election, Candidate Walker has failed to cure her default to the City and, therefore, shall not be seated, sworn in to the Office or otherwise serve as a City Council member for the City of Ecorse for the term of the office, thereby allowing the next highest vote getter to be eligible to be seated or otherwise serve as a City Council member in the seat left vacant by the ineligible candidate.

WHEREAS, if Candidate, Larry Salisbury receives sufficient votes for the elected official position of Mayor in the November 8, 2011 general election, Candidate Salisbury failed to cure his default to the City and, therefore, shall not be seated, sworn in to the Office or otherwise serve as the Mayor for the City of Ecorse for the term of the office. Therefore, the eligible, seated, sworn in newly elected City Council members now serving shall appoint within 2 weeks of this Directive and Order an eligible person to serve in the position of Mayor in accordance with the provisions of Chapter IV Section 8 of the City of Ecorse Charter.

WHEREAS, in November of 2009 the Ecorse Emergency Manager reduced the six Ecorse City Council members' \$15,000.00 annual salary by half (to \$7,500.00 annually), which said remainder salary was subsequently, by operation of law, immediately eliminated upon the March 16, 2011 enactment of Public Act 4 and Section 19a. Further, that by Directive and Order No. 050 the Emergency Manager, with City Council input, ordered that each of the current City Council members would receive a partial salary restoration in the gross amount of \$350.00 a month, totaling \$4,200 annually. Further, that the Ecorse Emergency Manager took no action regarding the salary of Mayor and so any compensation previously or historically implemented had effectively been eliminated by the enactment of Public Act 4 of 2011 and, therefore, remains at \$0.00 today and shall remain so unless and until affirmative action by the Emergency Manager is taken.

WHEREAS, the two year terms of office for all six Council Members have effectively expired and until any newly elected Councilpersons and Mayor are properly, legally seated, sworn in or otherwise authorized to assume any portion of the allowable duties of said official position the compensation and/or salary for each Councilperson position is hereby eliminated or otherwise reduced to \$0.00 unless and until the Emergency manager chooses to affirmatively order otherwise.

This Directive is necessary in order to carry out the duties and responsibilities required of the Emergency Manager as set forth in Public Act 4 of 2011, the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Manager and, additionally, is considered necessary to implement the financial plan.

RESOLVED, IT IS HEREBY ORDERED BY THE EMERGENCY MANAGER OF THE CITY OF ECORSE, PURSUANT TO PUBLIC ACT 4 of 2011 AND THE CONTRACT, THAT EFFECTIVELY IMMEDIATELY:

- 1. The compensation and/or salary for all six Ecorse City Council member positions is hereby eliminated or otherwise reduced to \$0.00 until further notice and/or action by the Emergency Manager. The Ecorse 2010 2011 budget for City Council salaries shall be amended to reflect said elimination of all salaries as directed by the Emergency Manager.
- The annual salary for the Mayor of Ecorse remains as ordered in No. 050.
- Candidate for the elected official position of City of Ecorse Treasurer, Doris Young is in default pursuant to State law and the City of Ecorse Charter as set forth in the attached copy of the letter notice and is not eligible for the elected position of Treasurer and, therefore, shall not be seated, sworn in, serve, or function as the City of Ecorse Treasurer for the term of said office. Therefore, the elected official position of City of

shall have responsibility for the duties of the Ecorse Treasurer until the position is otherwise filled..

- 4. Candidate for the elected official position of City Councilperson or Member, Casondria Walker is in default pursuant to State law and the City of Ecorse Charter as set forth in the attached copy of the letter notice and is not eligible for the elected position of City Council member and, therefore, shall not be seated, sworn in to Office, serve, or function as a City of Ecorse Councilperson or member for the Therefore, the next highest vote getter eligible to be seated or Councilperson shall be identified, named, seated, sworn in or otherwise serve as a City of Ecorse Councilperson or member.
- Candidate for the elected official position of Mayor, Larry Salisbury is in default to the City pursuant to State law and the City of Ecorse Charter as set forth in the attached copy of the letter notice and is not eligible for the position of Mayor and, therefore, shall not be seated, sworn in to Office, serve, or function as the City of Ecorse Mayor for the term of said office.
- 6. The City Clerk is hereby prohibited from officially notifying a candidate of his or her election to an elected office or position. The City Clerk is further prohibited from administering the Oath of Office or otherwise swearing in to any elected or appointed Office or position ANY individual until further Order of the Emergency Manager.
- 7. Immediately upon the conclusion of the November 8, 2011 general election, the City Clerk shall call or otherwise notify on her cell telephone Emergency Manager, Joyce A. Parker and provide to the Emergency Manager the final results of the November 8, 2011 general election and any further election information requested.
- 8. This Directive and Order is effective immediately.

IT IS SO ORDERED this 8th day of November, 2011.

Joyce A. Parker Emergency Manager City of Ecorse